GOVERNMENT OF INDIA
MINES AND MINERALS
LOK SABHA

UNSTARRED QUESTION NO:2430
ANSWERED ON:10.03.2000
DECONTROL OF COAL
RAM SHAKAL

Will the Minister of MINES AND MINERALS be pleased to state:

(a) whether the Government have decontrolled the price of different categories of coal;

(b) if so, the details thereof;

(c) the extent to which the price of coal has gone up as a result thereof;

(d) the expected additional amount earned so far by the coal producing companies as a result thereof;

(e) whether the Government propose to decontrol the production of coal to create more competition in this sector; and

(f) if so, the details of the steps taken by the Government to fully decontrol the coal industry?

Answer

MINISTER OF STATE FOR MINES & MINERALS (SMT. RITA VERMA)

(a): Yes, Sir.

(b): The prices of Coking Coal and A, B and C grades of non-coking coal were deregulated since March 1996 and the prices of D grade of non-coking coal were deregulated since March 1997. The full deregulation of prices of coal came into force with effect from 1st January, 2000.

(c): The extent to which the prices of coal fixed by Coal India Limited has gone up in terms of percentage over existing are given below, date-wise:-

1.4.96 Deregulated coal Grades	In all subsidiaries except Western Coalfields Limited (WCL) and Mahanadi Coalfields Limited (MCL)	In WCL	In MCL
A	20%	23%	15%
B	18%	25%	13%
C	15%	29%	10%
Coking	20%-25%	20%-25%	20%-25%

20.10.96			
A	12%	0%	12%
B	12%	0%	12%
C	8%	0%	8%
Coking	8%-12%	8%	-

1.4.97 Deregulated Coal Grades	In all subsidiaries except MCL	In MCL
D	29%	24%

1.10.97 Deregulated coal Grades	Eastern Coalfields Limited (ECL)	Bharat Coking Coal Limited
A	5%	-
B	5%	-
C	5%	-
Coking	-	5%

21.8.98 Deregulated coal Grades	In all subsidiaries except WCL	In WCL
A, B, C	5%	4%
D	7%	6%
Coking coal of Central Coalfields Limited (CCL)	5%	

5.1.99 Deregulated Coal In ECL West Bengal Mines	5% to 13%

31.5.99 Deregulated coal Grades	In CCL	In Northern Coalfields Limited
A to D	5%	6%
Coking	4%	-

(d): The expected additional amount earned so far by coal producing companies are as follows:-

1996-97 Rs. 1280 crores
1997-98 Rs. 2200 crores
1998-99 Rs. 2630 crores
1999-2000 (expected) Rs. 3100 crores

(e) & (f): A proposal for involving private Indian companies to mine coal without the existing restriction of captive consumption is under consideration of the Government. For this purpose, amendments to the Coal Mines (Nationalisation) Act, 1973 would be necessary.